GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5241
ANSWERED ON:20.04.2001
RESIGNATION OF ELECTED MEMBERS OF CALCUTTA STOCK EXCHANGE
SHEESH RAM SINGH RAVI

Will the Minister of FINANCE be pleased to state:

(a) whether all the elected members from Calcutta Stock Exchangehave resigned and there is a proposal for separating the governance of the bourses from the trading activities; and

(b) if so, the details alongwith reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a) and (b): The Securities and Exchange Board of India(SEBI) has intimated that eight elected members ofthe Committee of Calcutta Stock Exchange (CSE) tenderedtheir resignation on March 30, 2001. One other elected member of the Committee, who was declared a defaulter, had already resigned. With these resignations, the Board of the Exchange nowconsists of the Executive Director and nine non-elected Directors.

With a view to improving institutional mechanisms and trading practices in the Stock Markets, Government proposes to demutualise all stock exchanges, by which ownership, management and trading membership would be segregated from each other.